



# BOARD OF COMMISSIONERS

1 S. Main St., 9th Floor  
Mount Clemens, Michigan 48043  
586-469-5125 FAX 586-469-5993  
macombcountymi.gov/boardofcommissioners

## BUDGET COMMITTEE

WEDNESDAY, FEBRUARY 13, 2008

### AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Adoption of Agenda, as amended, to include items #3A, #7A, and #7B
- 3A. Approval of Minutes Dated 01-08-08 (Special Meeting) (previously distributed)
4. Public Participation
5. Receive and File Presentation on Equipment Maintenance Management Program (mailed)
6. Recommendation from Justice and Public Safety Committee Meeting of 01-14-08 (mailed)  
Approve DMJM, Inc. for Jail Lock Control System Consulting
7. Recommendation from Legislative and Administrative Services Committee Meeting of 02-04-08 (mailed)  
Concur in Recommendation of IT Director and Approve Spending Reductions in the Amount of \$5,150 in the Telecommunications Budget
- 7A. Recommendation from Health Services Committee Meeting of 02-07-08 (attached)  
Approve Payment of \$40,000 to the City of New Baltimore from the Environmental Problems: Lake/River Fund
- 7B. Appropriate Additional \$800 to the 2008 NACo Award Application Allocation (attached)  
(Item waived by Planning and Economic Development Committee Chair)
8. Approve Request of Prosecuting Attorney and Appropriate \$25,000 to Cover the Additional Cost in the Prosecution in the Steven Grant Case (mailed)
9. Adopt 2008 - 2012 5-Year Capital Improvement Program (mailed)
10. Receive and File 2007 Contingency Report Update (mailed)
11. New Business
12. Public Participation
13. Adjournment

## MACOMB COUNTY BOARD OF COMMISSIONERS

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Carey Torrice - District 16  
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Betty Slinde - District 22  
Sarah Roberts - District 24  
Kathy D. Vosburg - District 25  
Leon Drolet - District 26

RESOLUTION NO. \_\_\_\_\_

FULL BOARD MEETING DATE: \_\_\_\_\_

AGENDA ITEM: \_\_\_\_\_

**MACOMB COUNTY, MICHIGAN**

**RESOLUTION TO** Receive and file presentation on Equipment Maintenance Management Program

**INTRODUCED BY:** Commissioner Don Brown, Chair, Budget Committee

**COMMITTEE/MEETING DATE**

Budget                      02-13-08

February 5, 2008,

Don Brown  
Macomb County Commissioner/District 13  
ONE SOUTH MAIN / 9<sup>TH</sup> FLOOR  
MOUNT CLEMENS, MICHIGAN 48043

Re: Equipment Maintenance Management Program  
Hard Dollars Savings (20%-25%) Management Controls, Fiscal Accountability  
Estimated Savings - \$200,000-\$400,000 dollars for Upcoming Fiscal Year  
Over 3 Years - \$600,000-1.2 million dollars

Dear Don:

Since 1982, Specialty Underwriters LLC has provided equipment maintenance management services to governmental bodies, educational facilities and other institutions worldwide. A superior alternative to traditional service contracts, these services have help thousands of customers realize significant savings through one master contract supplied by Specialty Underwriters LLC. The contract provides Macomb County a **20-25% guaranteed discount** on all maintenance/service contracts for office automation, computers and other electronic equipment, and a **15% discount** for all medical, laboratory and testing equipment.

The program enables you to keep your current service vendors. We are simply looking to show you a more efficient way to manage repairs. Additionally, you will be able to outsource the purchase order and vendor payment process which will lower your Department's administrative burden.

**WHAT ARE THE SPECIFIC ADVANTAGES**

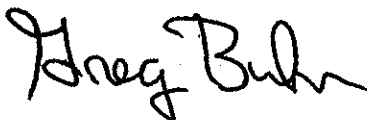
- Expense reduction - a fixed guaranteed cost - no more budget overruns or variances.
- Outsourcing of the administration burden - no more purchase orders or check processing.
- Increased administrative control, focus and confidence - routine management reports.
- Broader, more comprehensive coverage of your equipment.
- Professional management of equipment repairs.
- Consolidation of your present contracts to a single manageable agreement with one common anniversary date.
- Inventory control of your equipment.

**WHO HAS TAKEN ADVANTAGE OF THE PROGRAM?**

- Kalamazoo County
- Detroit News
- St. Johns Health System
- Macomb Community College
- Michigan State University

In the meantime, please feel free to contact me or Joe Rakowiecki our local representative for the McNish Group at 800.559.9910 should you have any general questions about this cost reduction opportunity.

Respectfully,



Greg Buhr  
Product Specialist



# Sunshine State Sources Equipment Maintenance

**Procurement plan targets maintenance management services for office equipment ranging from computers, copiers, and scanners to telephones and security systems**

By David Yarkin

**T**he State of Florida has long been considered among the nation's most progressive in introducing innovative and leading-edge practices in modernizing its procurement operations. Florida was one of the first states in the country to introduce e-procurement through its MyFloridaMarketplace tool and one of the early adopters of strategic sourcing.

The state was also one of the first to see its strategic sourcing consulting contracts expire and to implement strategic sourcing on its own without consulting support.

In the October 2006 issue of *Government Procurement*, the "Sourcing in the States" column asked readers whether states could sustain strategic sourcing after their consultants departed. With their procurement of maintenance management services, Florida's Department of Management Services (DMS) answered this question with a resounding yes, and again showed that the Sunshine State was at the forefront of innovative government procurement practices.

Maintenance contracts are among the trickiest—and most costly—contracts for chief procurement officers to negotiate. Many products used in an office environment come with a warranty that, for a limited time, covers required maintenance. When those warranties expire, procurement departments often encounter difficulties. Original equipment manufacturers (OEMs) often tell their customers that only they can maintain and repair the equipment. Many times, these discussions yield sole source contracts at rates far above market prices. DMS aimed to rectify these challenges.

## **Multiple Agencies, Suppliers, and Service Methods Lead State to Sourcing**

In many ways, Florida's procurement of equipment maintenance management services comes directly from the strategic sourcing playbook. The state's spend for

maintenance was disaggregated across multiple agencies and many suppliers. Neither the purchasing director nor the facilities staff had any visibility into how the state's equipment was being maintained and at

what cost. The method of payment was also inconsistent.

In some cases, the state was paying for maintenance on a time-and-materials basis. More often, state agencies had monthly, quarterly, or annual maintenance contracts where the state paid a flat fee for all work performed during a certain time period.

These maintenance contracts were convenient and easy to manage. Agencies simply had to pay a set amount to cover all of their service needs. There was no need to keep track of the hours worked by a repair technician. The contracts also were abundantly easy to budget. Agency fiscal officers knew ahead of the fiscal year exactly what costs would be incurred to maintain certain pieces of equipment, but the state paid dearly for these conveniences.

There may have been months when the amount of work exceeded the monthly payment of an annual maintenance contract, but not surprisingly, suppliers rarely ended up on the wrong side of the equation. That left one party who did—the state.

## **Data Dilemma Drives State to Service Management Alternative**

From a cost containment standpoint, paying for maintenance on a time-and-materials basis for certain types of equipment is clearly the preferable alternative to a fixed-fee annual maintenance contract.

However, many large organizations do not have the resources on staff to manage an army of technicians and repair personnel. The staffing problem is especially acute in state governments that have been forced to absorb punishing personnel cuts, particularly in administrative positions. Florida recognized this reality. Instead of relying on personnel to manage a myriad of vendor relationships, multiple renewal dates, and scores of pieces of equipment, the state planned to solicit an equipment maintenance management firm that would be responsible for managing maintenance contractors' service delivery.

Florida understood that for its procurement of equipment maintenance, calculating the state's spend would be impossible. There was no source data that would detail all or even a majority of the machines that would need to be maintained, nor was there a compendium of the existing contracts in need of transition. The locations of the machines also was an unknown. Gathering the data on tens of thousands of devices would be virtually impossible for precisely the same reason why the state could not manage several thousand time-and-materials contractors—a lack of administrative personnel.

The effort may well have taken a full year—staff time that the state simply did not have.

### **Supplier Sorts Savings and Equipment**

According to Charles Covington, Florida's Director of State Purchasing, government entities typically focus on providing services to the citizens of the state, instead of allocating resources to start new programs, manage projects, and collect the data needed to make enterprise-wide decisions. With this in mind, Florida elected to have the vendor identify opportunities for cost savings and efficiencies.

Florida's solicitation not only acknowledged this problem, it requested the responders to provide a solution. In the Invitation to Negotiate (ITN), DMS put the responsibility of identifying and tagging pieces of equipment on the winning bidder. Rather than delaying savings by upwards of a year, the state's solicitation was structured

so that savings could begin as soon as eligible equipment was placed on a policy. At the same time, the winning supplier would begin the arduous task of verifying all of the pieces of equipment in scope for the contract and documenting their whereabouts.

Suppliers first got wind of the state's intentions when it initiated an ITN in June 2003. In the ITN, DMS asked potential bidders to outline their capabilities and to identify the categories of machines that they were capable of servicing. Based on the responses, DMS knew which categories to include in the ITN to guarantee sufficient competition. In order to maximize the volume, and therefore, its leverage with suppliers, the state's objective was to include as many categories and pieces of equipment as possible.

At the same time, the state did not want an ITN so broad that only one bidder—or worse—no bidder could reasonably bid.

Covington stated that an ITN allowed the state to hear proposals from bidders about their technical capabilities and program management. Subsequently, the state negotiated with an appropriate number of vendors and made its single award decision based on a combination of technical capability, service, and cost—a best value determination.

From the knowledge gleaned in the ITN responses, the state defined the scope of equipment to be covered into four general categories:

#### **Office Automation**

- Copiers
- Fax machines
- Scanners
- Computers
- PCs
- Printers
- Monitors

#### **Communications**

- Telephones
- Voice mail systems
- Routers

## ■ Hubs

### Security

- Security systems
- Surveillance cameras.

The ITS cost section asked suppliers to commit a specific percentage savings for each of the categories above. The winning supplier, Specialty Underwriters (SU), committed to save the state a minimum of 26 percent across all the categories, compared to the prices previously paid under maintenance contracts.

The state would not have to lay out any funds to pay the winning supplier. Instead, the supplier would be paid 18 percent of the gross savings. SU was to be paid on a quarterly basis as savings accrued during the first three years after equipment came online under the new contract. To make this complex process more tangible, the contract offers an example so that customers know what to expect both in terms of savings and in the funding model.

#### Funding Model Provides Savings Example

<b>\$100,000</b>	Current actual costs incurred by Eligible User
<b>\$26,000</b>	Actual reduction in budgeted expenses (26 percent savings)
<b>\$74,000</b>	Cost after conversion
<b>\$4,680</b>	Fee billed as savings are realized (18 percent of savings)
<b>\$78,680</b>	Net amount to state (21.3 percent savings)

Without detailed data in the ITN, how was SU able to commit to a 26 percent savings figure? SU Vice President Tim Peterson explained, "Through 25 years of maintaining systems, we have developed a proprietary database that precisely projects a certain amount of savings in a variety of categories."

### Best Value Serves State

While saving money was certainly a primary factor in the state's decision to engage an equipment maintenance management firm, the ITN was by no means a low-bid

solicitation. The equipment that the supplier would be responsible for maintaining is at the core of how a government operates—telephones, computers, and fax machines.

The state did not want a supplier who would offer enormous savings but would either be unable to service machines statewide or would go bankrupt in six months. A firm's longevity and experience in serving organizations of similar scale were very important criteria in the solicitation. Responders to the ITN were asked to supply three references for engagements that were similar in scope.

After a round of best-and-final offer negotiations, DMS awarded the contract to SU. DMS informed the state agencies that an award had been made and that they would have an opportunity to participate if they so desired.

The Department of Education (DOE) was chosen to prove the concept and demonstrate the program's value to other agencies. Because the contract was voluntary, it was incumbent upon SU to gain a win to reference while trying to add new agencies and pieces of equipment.

### End Users Savor Service

Interestingly, it was not savings but service levels that gained accolades and converts for SU at the DOE. Under its legacy maintenance contracts, the DOE was forced, at times, to endure poor service from vendors who held sole source contracts, and with whom the state had little leverage. However, soon after the DOE began working with SU, the department complained about a vendor who refused to repair equipment in a timely manner. SU was able to replace the existing vendor with an agency-approved firm.

Tim Peterson of SU emphasized that while savings garner most of the attention from a governor's office, for the end users, the benefits of a maintenance management program are broader than just dollars and cents.

"It's really not just cost savings; it's a management program," said Peterson. "The client realizes that

they have options in choosing vendors to maintain their equipment—in most cases—and that those vendors can be replaced if necessary. As a result, quality is expected to improve after a client implements a contract like this."

### Management Contract Saves Time, Solicitation Work, and Money

In addition to the improvements in customer service, the DOE realized significant savings. Since its inception in 2004, the SU contract has saved the department roughly \$360,000 on 7,150 pieces of equipment—a savings of more than 27 percent.

Like many strategically sources contracts, Florida's equipment maintenance management contract yields dramatic soft-dollar, transactional savings. In the same way that a statewide maintenance, repair, and operational supplies (MRO) contract eliminates the need to procure fastener and tools many times a year, the SU contract saves DMS and state agencies from having to process untold numbers of solicitations. This time savings allows the staff to focus on more strategic rather than tactical activities.

### Consultative Approach Improves Government Decision Making

Another characteristic typical of strategically sourced contracts is the transformation of the role of the supplier. In non-strategically source contracts, the relationship between buyer and supplier can be rather distant. By law, buyers cannot share much information with prospective bidders so as not to give them a competitive advantage of other firms. Instead, suppliers must wait for a bid to be issued and then respond to it. They are unable to offer advice on how to better construct a solicitation.

The SU contract, in contrast, allows the supplier to offer consultative services to the state. SU staff is able to gauge where a piece of equipment is in its lifecycle and recommend purchasing a replacement

rather than "throwing good money after bad" by making continuous repairs on equipment that is past its prime. Unlike the state's previous system where it was impossible to get a handle on its tangled web of equipment and maintenance contracts, the SU contract offers a wide variety of reports that allow managers to make informed decisions about their equipment. One report shows the savings achieved by every agency or user. Another lists all equipment being serviced by SU, sortable by agency, equipment manufacturer, or type of equipment. Additional reports detail the pieces of equipment that have received an abnormally high number of service calls, as well as those that are due to come off of warranty soon.

The reports help state managers make sound procurement decisions instead of having to make costly emergency purchases when equipment fails unexpectedly.

### **State Converts Contracts to Savings**

Florida's contract lays out a methodical process that SU must follow in converting the eligible legacy maintenance contracts into the maintenance management program. The first step is a meeting between SU and the agency staff responsible for maintenance. Together they select the pieces of equipment that will be considered. The agency then sends data to SU, including existing maintenance contracts, maintenance history, general ledger and accounts payable information, acquisition dates, and the warranty periods for each item, as well as identifying information such as make and model, location, and serial number.

If the information is unavailable, SU assists in data collection. SU takes the data and populates its proprietary database to provide an accurate baseline.

With the baseline data in hand, SU develops a projection of the savings that can be achieved by converting the legacy contracts. Based on the age of the equipment, as well as usage and the service methods, SU can project how much to commit in savings.

After reviewing the savings projection and SU's plan to ensure a seamless transition from the maintenance contract to a contract with SU, the agency has the option to approve or reject the change. Once approved, SU works closely with the agency to add the equipment to the contract. When a piece of equipment needs to be repaired, the agency contacts SU, who in turn, notifies the vendor that it needs to make a service call. When work has been completed, the vendor invoices SU, which then makes the payment directly. The state no longer has to pay dozens of vendors, only Specialty Underwriters.

The convenience of vendor consolidation benefits not only invoicing, but also the end user. Rather than remembering the name and phone number of dozens of maintenance suppliers, state employees have only a single toll-free number to call. The number is printed on the asset tag on every piece of equipment.

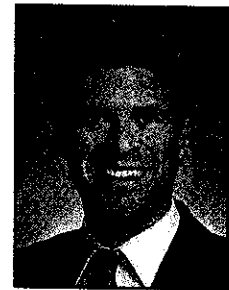
After the success at the DOE, SU rolled out the contract to additional agencies. Since 2004, eight agencies

have begun using the maintenance management contract to improve their customer service, gain visibility into their equipment's repairs and maintenance, and drive savings. In all, more than 22,000 pieces of equipment have been transitioned to the SU contract, saving Florida taxpayers more than \$1.2 million—27 percent less than the cost under the legacy contracts.

With the contract for maintenance management services, Covington and the Florida Department of Management Services solidified their reputation as a leading-edge public procurement organization. In consolidating its supply base from dozens of suppliers to a single firm, the state generated dramatic savings, while improving service levels and giving its agency customers a higher degree of convenience and reporting visibility than ever before. □

### **About the Author**

David Yarkin, former Deputy Secretary for Procurement in Pennsylvania's Department of General Services, is President of Government Sourcing Solutions, LLC. If your government has taken an innovative approach to strategic sourcing, contact Yarkin via e-mail at [dyarkin@govsourcing.com](mailto:dyarkin@govsourcing.com).





Budget 2-13-08

Distributed



## EQUIPMENT MAINTENANCE MANAGEMENT & PERFORMANCE BASED SOLUTIONS

Today's competitive environment places enormous demands on organizations, both large and small, to consider new and innovative ways in which to manage the vast amounts of both time and money they spend on the maintenance and management of their equipment. Industry sources indicate that organizations spend annually an average of 8% to 10% of the replacement value of its existing equipment base to maintain it.

Since 1982, SU Group has provided comprehensive cost saving solutions to meet the demands of managing equipment repairs for thousands of clients throughout the United States and Canada. We offer a reliable, time-proven approach to managing equipment repairs, reducing operating costs and providing an ongoing analysis of measuring equipment reliability and vendor performance through key management reporting.

### HOW IT WORKS

Simply stated, SU Group analyzes current maintenance agreements and converts those selected from a pre-paid basis to a time and materials model that pays for service as it is performed, versus paying in advance for maintenance that may or may not occur.

Our consultative process identifies cost reduction opportunities on traditional service contracts by evaluating and analyzing the maintenance expenditure areas throughout the organization. Once the baseline for these expenditures has been determined, we collaborate with the client to determine which contracts will be part of the first initiative and which expenditure areas will be phased in over a period of time.

### BENEFITS OF SU MAINTENANCE MANAGEMENT SERVICES

- Significant savings over traditional maintenance agreements on office, communication, mail, data processing, security and research/lab equipment.
- Greater administrative and operational efficiencies
- Single point of contact for equipment service issues
- Ability to choose and utilize the service provider of your choice
- Consolidation of contracts and vendor relationships
- Flexibility to add or remove equipment at any time
- Comprehensive management reports for evaluation of equipment and vendor performance
- Reimbursement for in-house corrective or preventative maintenance

### CUSTOMIZED SOLUTIONS

### SUBSTANTIAL SAVINGS

### EXCEPTIONAL SUPPORT

### COST REDUCTION SOLUTIONS

#### RISK TRANSFER ALTERNATIVES

- COM-TEC® Authorized Loss Control
- TELESERVE™ Dispatch / Help Desk
- On-Site Maintenance Management

#### PERFORMANCE CONTRACTING SERVICES

- Contract Negotiations
- Contract Consolidations
- Service Level Agreements

#### THIRD PARTY ADMINISTRATION OPTIONS

- Equipment Tracking and Evaluations
- Vendor Dispatch, Payment and Management
- Trend Analysis



## SAMPLE ELIGIBLE EQUIPMENT

### COMMUNICATION EQUIPMENT

- ☐ Audio/Visual Systems
- ☐ Intercom Systems
- ☐ Overhead Paging Systems
- ☐ Telephone Systems
- ☐ Voice Mail Systems

### DATA PROCESSING EQUIPMENT

- ☐ Bridges
- ☐ Controllers
- ☐ Hubs
- ☐ Multiplexors
- ☐ PCs and PC Peripherals
- ☐ Routers
- ☐ Scanners
- ☐ Servers

### MAIL EQUIPMENT

- ☐ Inserters, Labelers, Openers
- ☐ Mail Machines
- ☐ Scales and Stackers

### OFFICE EQUIPMENT

- ☐ Binders
- ☐ Bursters
- ☐ Card Readers
- ☐ Copiers
- ☐ Dictation Equipment & Transcribers
- ☐ Electric Rotary Files
- ☐ Electronic Typewriters
- ☐ Embossers
- ☐ Facsimile Machines
- ☐ Folders & Forms Handling
- ☐ Laminators
- ☐ Printers
- ☐ Scanners
- ☐ Shredders
- ☐ Time Clocks
- ☐ Transient Voltage Protection Equipment/UPS
- ☐ Typewriters

### SCIENTIFIC/RESEARCH

- ☐ Autosamplers
- ☐ Beta Counters
- ☐ Blood Gas Units
- ☐ Cell Savers
- ☐ Cell Washers
- ☐ Centrifuges
- ☐ Chemistry Analyzers
- ☐ Chromatography Systems
- ☐ Co-Oximeters
- ☐ Densitometers
- ☐ DNA Analyzers and Synthesizers
- ☐ Electrolyte Analyzers
- ☐ Electron Microscopes
- ☐ Electrophoresis
- ☐ Gamma Counters
- ☐ Hematology Analyzers
- ☐ Hemoglobinometers
- ☐ Laboratory Microscopes
- ☐ Liquid Scintillation Counters
- ☐ Mass Spectrometers
- ☐ Osmometers
- ☐ Spectrophotometers
- ☐ Sterilizers
- ☐ Stress Test Systems
- ☐ Tissue Processors

### SECURITY/ALARM EQUIPMENT

- ☐ Alarm Systems
- ☐ Burglar Alarms
- ☐ Card Access Systems
- ☐ CCTV Systems
- ☐ Electronic Gates/Doors
- ☐ Fire Alarms
- ☐ ID Card Readers
- ☐ Metal Detectors
- ☐ Premise Alarms

## ABOUT SU GROUP

Founded in 1982 and headquartered in Milwaukee, Wisconsin, SU Group is the recognized leader in equipment maintenance management services for the educational, financial, pharmaceutical, medical and government markets. Providing a wide range of alternatives to traditional service contracts, SU's programs have helped thousands of organizations realize significant dollar savings and operational efficiencies across a wide range of equipment.



McNish Group, Inc.  
26622 Woodward Ave. Ste. 200  
Royal Oak, MI 48067  
(248) 544-4800



# **RECYCLABLE PAPER**

RESOLUTION NO. \_\_\_\_\_

FULL BOARD MEETING DATE: Jan. 24, 2008

AGENDA ITEM: \_\_\_\_\_

**MACOMB COUNTY MICHIGAN**

**RESOLUTION TO: Approve DMJM Inc. for Jail Lock Control System Consulting. The cost for this project is \$47,000 (to be referred to the Budget Committee for allocation of funds).**

\_\_\_\_\_

\_\_\_\_\_

**INTRODUCED BY: Commissioner Keith Rengert; Chair, Justice and Public Safety Committee.**

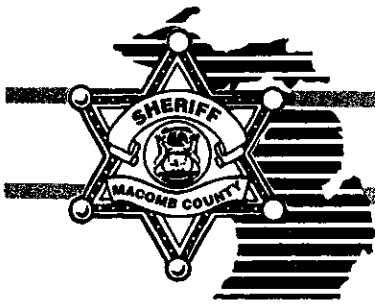
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**COMMITTEE / MEETING DATE**

**JUSTICE & PUBLIC SAFETY, JAN. 14TH, 2008** *Approved*

*Budget* 2-13-08

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# MARK A. HACKEL

## OFFICE OF THE SHERIFF

Kent B. Lagerquist  
UNDERSHERIFF

TO: Commissioner Keith Rengert,  
Justice and Public Safety Committee Chair

DATE: January 4, 2008

RE: Justice and Public Safety Agenda – January 14, 2008

Please accept this letter as my formal request to be placed on the Agenda for the January 14, 2008 Justice and Public Safety Committee Meeting.

Our review committee is recommending that DMJM Inc., be contracted in response to Bid Item #16-07 (Jail Lock Control System Consultant). The scope of the project includes preparation of an RFP (to correct the jail door electronics problems within the County jail), selection of vendor and project management. The cost for this consulting project is \$47,000 (to be referred to the Budget Committee for allocation of funds).

Respectfully,

Michelle M. Sanborn, Jail Administrator

C: Anthony Wickersham, Chief of Staff  
Polly Helzer, Purchasing Department  
Lynn Arnott-Bryks, Facilities and Operations  
John Foster, Finance Department  
Keith Bradshaw, Technical Services

MMS/cmr

Item # 10

1-9-08 : Per Commissioner Ringert,

Distribute in Commissioner's  
mailboxes and also

place a copy on  
dash before the  
start of JPS on  
1-14-08.

**ADDENDUM**

**January 14, 2008 JPS MEETING**

**BID ITEM #16-07 (Jail Lock Control System Consultant)**

*Danise*

In October of 2007 Bid Item #16-07 was sent to 11 vendors, published in the local newspaper and posted on the County Website.

The following vendors submitted bids:

- 1) Latta Technical Services Incorporated (\$64,724.63)
- 2) **DMJM Incorporated (\$47,000)**
- 3) Correct Electronics Incorporated (\$28,300.00) – minimum bid qualifications were not met

**The vendor DMJM was selected as the lowest responsible bidder.**

Respectfully Submitted: Michelle M. Sanborn, Jail Administrator

*For  
informational  
purposes*



**MARK A. HACKEL**

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**OFFICE OF THE SHERIFF**

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Kent B. Lagerquist  
UNDERSHERIFF

January 29, 2008

Don Brown, Chair, Budget Committee  
Macomb County Board of Commissioners  
One South Main Street  
Mt. Clemens, MI 48043

RE: Jail Lock Consultant Project

Dear Commissioner,

On January 14, 2008, the JPS Committee approved the contracting of DMJM to proceed with the above referenced project (at a cost of \$47,000).

This project relates directly to the safety and security of our staff and prisoners alike. In the past couple of years we have experienced major system failures with the electronics that operate doors within the jail. These doors provide security, as well as emergency and routine ingress/egress for prisoners and staff. As such, it is requested that the necessary funding be allocated and the project proceed.

Thank you for your anticipated support, and please contact me should you have any questions.

Respectfully,

Sheriff Mark A. Hackel

C: Anthony Wickersham, Chief of Staff  
Michelle M. Sanborn, J/A  
John Foster, Finance  
Lynn Arnott-Bryks, Facilities & Operations  
Polly Helzer, Purchasing  
Keith Bradshaw, Technical Services

# **RECYCLABLE PAPER**

RESOLUTION NO. \_\_\_\_\_

FULL BOARD MEETING DATE: \_\_\_\_\_  
AGENDA ITEM: \_\_\_\_\_

MACOMB COUNTY, MICHIGAN

\* / \$5,150.00

RESOLUTION TO: Concur in the recommendation of the IT Director and approve spending reductions in the amount of ~~\$9,150.00~~ in the Telecommunications budget, as outlined in correspondence dated February 1, 2008 from the IT Director, and forward to Budget Committee.

INTRODUCED BY: Commissioner Peter Lund, Chairperson-Legislative & Administrative Services

\* At the Legislative & Administrative Services Committee meeting on 2-4-08, Chair Lund said the 3 items would be voted on separately.

Item 1 - motion was made by Vosburg, supported by Joan Flynn, to postpone until next month's meeting. The Motion Carried.

Item 2 - No discussion. Chair Lund called for a vote and The Motion Carried.

Item 3 - Discussion ensued. Chair Lund called for a vote and The Motion carried w/ Lund voting No.

COMMITTEE/MEETING DATE

LASC February 4, 2008

Budget 2-13-08

Approved





## INFORMATION TECHNOLOGY

10 N. Main St., 7th Floor  
Mount Clemens, Michigan 48043  
586-469-0524 FAX 586-469-6547  
macombcountymi.gov

C. N. Zerkowski  
Director

February 1, 2008

K. Barbieri  
Deputy Director

TO: Commissioner Peter Lund, Chair  
Legislative and Administrative Services Committee  
Macomb County Board of Commissioners

FROM: Cyntia N. Zerkowski, Director  
Information Technology

SUBJECT: Budget Reduction – Telecommunication Budget

Additional budget reduction recommendations with continued review of phone costs have been identified. The following three reductions are being recommended:

- Postponed until next month.*
1. Eliminate the six remaining pay phones realizing a \$4,000 savings for the year.

We no longer receive revenue commission for pay phones. At the end of 2007, AT&T got out of the pay phone business. We currently have a new provider at a cost of \$75.00 per month per pay phone.

- Fwd. to Budget*
2. Reduce Telecommunication Printing Budget by \$2,000.  
Now that the phone directory is on line, printed phone directories are not produced.

- Fwd to Budget*
3. Eliminate long distance FGA's for a cost savings of \$3,150.  
Back in the day of single phone carrier territories, the County set up two long distance FGA's to provide local access to the County's main switchboard. The County pays \$.64 a minute per call for this service and a fixed monthly service fee of approximately \$50.00 per month per line.

*Disse*  
If the above three recommendations are adopted, we will reduce our telecommunication budget by \$9,150 for 2008.

CZ/de

### MACOMB COUNTY BOARD OF COMMISSIONERS

William A. Crouchman  
District 23  
Chair

Dana Camphous-Peterson Leonard Haggerty  
District 18 District 21  
Vice-Chair Sergeant-At-Arms

Andrey Duzyj – District 1  
Marvin E. Sauger – District 2  
Phillip A. DiMaria – District 3  
Ron M. Switalski – District 4  
Susan L. Doherty – District 5

Joan Flynn – District 6  
Sue Rocca – District 7  
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Robert Mijac – District 9  
Philis DeSaele – District 10

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Brian Brdak – District 14  
Keith Rengert – District 15

Carrie Torrice – District 16  
Ed Bruley – District 17  
Paul Gielegem – District 19  
Kathy Tocco – District 20

Betty Stinde – District 22  
Sarah Roberts – District 24  
Kathy D. Vosburg – District 25  
Leonard Haggerty – District 26

# **RECYCLABLE PAPER**

RESOLUTION NO. \_\_\_\_\_

MEETING DATE: \_\_\_\_\_

AGENDA ITEM:

MACOMB COUNTY, MICHIGAN

RESOLUTION TO: Approve payment of \$40,000 to the City of New Baltimore from the Environmental Problems: Lake/River Fund for the upgrade to the Waste Water Treatment Plant

INTRODUCED BY: Commissioner Philis DeSaele, Chairperson, Health Services Committee

The City of New Baltimore has submitted final billing for the Waste Water Treatment Plant upgrade. They have submitted billings for \$53,918.40. The amount previously approved by Macomb County Board of Commissioners was \$40,000.00

COMMITTEE/MEETING DATE

Health Services – February 7, 2008 APPROVED

Budget 2-13-08



# CITY OF NEW BALTIMORE

36535 GREEN STREET • NEW BALTIMORE, MI 48047 • (586) 725-2151 • FAX (586) 725-6927

**RECEIVED**

JAN 17 2008

MACOMB COUNTY  
HEALTH DEPT.

To : Ms. Phillis DeSaele, Chair  
Health Services Committee

From : Craig Higgins, Supt.  
City of New Baltimore W.W.T.P.

Re : 2007 Lake and River Fund Grant

Dear Ms. DeSaele,

Last year the City of New Baltimore applied for and received a Lake and River Fund Grant from Macomb County for our new combination Sanitary/Storm Sewer Outfall to Crapau Creek. After we received it, we needed to supply some updated paid invoices for the project. Please find enclosed a copy of these invoices. Please accept my apologies for the delay in sending these to you. If anymore documentation is needed, please give me a call.

Respectfully Submitted,

Craig Higgins, Supt.  
City of New Baltimore W.W.T.P.

Phone : Office (586)725-9363  
Cell (586)855-2285

cc : Mr. Thomas Kalkofen (cover letter only)



PO Box 307  
Algonac, MI 48001

Phone No. 810-794-1931  
Fax No. 810-794-3331

# Invoice 068001-11

**PAID**

To: City of New Baltimore  
36535 Green St.  
New Baltimore, MI 48047

Billing Thru 1/31/2007

Job No. 06-8001

Re: Sanitary Sewer System  
8100 Wastewater Treatment Plant  
06-8001WWTP Outfall Sewer

Date 2/5/2007

Contract Work - Item / Description	Contract Amount	Previous Invoices	% Complete	Work this Invoice
WWTP - OUTFALL SEWER				
Design Services	74,800.00		7.24%	5,412.50
Contract Administration	112,200.00		0.00%	0.00
WORK THIS INVOICE				
1. Review existing topo				
2. Review temporary easement needs				
3. Topographic mapping of area and locate manholes				
4. Update drawings with utility information				
5. Pipe design				
Total Due This Invoice:				\$5,412.50

**\*\*NOTE - INVOICES ARE DUE UPON RECEIPT...THANK YOU!**



PO Box 307  
Algonac, MI 48001

Phone No. 810-794-1931  
Fax No. 810-794-3331

# Invoice 068001-12

**PAID**

Billing Thru 2/28/2007

To: City of New Baltimore  
36535 Green St.  
New Baltimore, MI 48047

Job No. 06-8001

Re: Sanitary Sewer System  
8000 General Account  
06-8001 WWTP Outfall Sewer

Date 3/5/2007

Contract Work - Item / Description	Contract Amount	Previous Invoices	% Complete	Work this Invoice
WWTP - OUTFALL SEWER				
Design Services	74,800.00	5,412.50	32.60%	18,970.30
Contract Administration	112,200.00		0.00%	0.00
WORK THIS INVOICE				
1. Prepare preliminary drawings and specifications				
2. Submit to MDEQ				
Total Due This Invoice:				\$18,970.30

**\*\*NOTE - INVOICES ARE DUE UPON RECEIPT...THANK YOU!**



PO Box 307  
Algonac, MI 48001

Phone No. 810-794-1931

Fax No. 810-794-3331

# Invoice 068001-13

**PAID**

Billing Thru 3/30/2007

To: City of New Baltimore  
36535 Green St.  
New Baltimore, MI 48047

Job No. 06-8001

Re: Sanitary Sewer System  
06-8001 WWTP Outfall Sewer

Date 4/3/2007

Contract Work - Item / Description	Contract Amount	Previous Invoices	% Complete	Work this Invoice
WWTP - OUTFALL SEWER				
Design Services	74,800.00	24,382.80	48.06%	11,565.00
Contract Administration	112,200.00		0.00%	0.00
Total Due This Invoice:				\$11,565.00

**\*\*NOTE - INVOICES ARE DUE UPON RECEIPT...THANK YOU!**

# Invoice 068001-14

**PAID**

To: City of New Baltimore  
36535 Green St.  
New Baltimore, MI 48047

Billing Thru 4/30/2007

Job No. 06-8001

Re: Sanitary Sewer System  
8100 Wastewater Treatment Plant  
06-8101WWTP Expansion

Date 5/8/2007

Contract Work - Item / Description	Contract Amount	Previous Invoices	% Complete	Work this Invoice
WWTP - OUTFALL SEWER				
Design Services	74,800.00	35,947.80	58.10%	7,511.25
Contract Administration	112,200.00		0.00%	0.00
WORK THIS INVOICE				
1. Prepare final plans per MDEQ comments				
2. Prepare basis of design				
3. Prepare final specifications				
4. Prepare Grant pay request				
Total Due This Invoice:				\$7,511.25

**\*\*NOTE - INVOICES ARE DUE UPON RECEIPT...THANK YOU!**





PO Box 307  
Algonac, MI 48001

Phone No. 810-794-1931  
Fax No. 810-794-3331

# Invoice 068001-15

**PAID**

Billing Thru 5/31/2007

To: City of New Baltimore  
36535 Green St.  
New Baltimore, MI 48047

Job No. 06-8001

Re: Sanitary Sewer System  
06-8001WWTP Outfall Sewer

Date 6/4/2007

Contract Work - Item / Description	Contract Amount	Previous Invoices	% Complete	Work this Invoice
WWTP - OUTFALL SEWER				
Design Services	74,800.00	43,459.05	59.23%	842.50
Contract Administration	112,200.00		0.00%	0.00
WORK THIS INVOICE				
1. Revise soil erosion plan to add parcel id numbers and soil information				
2. Add note to soil erosion plan per RCMC				
3. Prepare permit application				
4. Discuss permit application questions with USACE				
Total Due This Invoice:				\$842.50

**\*\*NOTE - INVOICES ARE DUE UPON RECEIPT...THANK YOU!**



PO Box 307  
Algonac, MI 48001

Phone No. 810-794-1931  
Fax No. 810-794-3331

# Invoice 068001-16

**PAID**

Billing Thru 6/30/2007

To: City of New Baltimore  
36535 Green St.  
New Baltimore, MI 48047

Job No. 06-8001

Re: Sanitary Sewer System  
06-8101WWTP Expansion

Date 7/3/2007

Contract Work - Item / Description	Contract Amount	Previous Invoices	% Complete	Work this Invoice
WWTP - OUTFALL SEWER				
Design Services	74,800.00	44,301.55	64.55%	3,981.85
Contract Administration	112,200.00		0.00%	0.00
Total Due This Invoice:				\$3,981.85

**\*\*NOTE - INVOICES ARE DUE UPON RECEIPT...THANK YOU!**

**\*\*NOTE - INVOICES ARE DUE UPON RECEIPT...THANK YOU!**



PO Box 307  
Algonac, MI 48001

Phone No. 810-794-1931

Fax No. 810-794-3331

# Invoice 068001-18

Billing Thru 8/31/2007

To: City of New Baltimore  
36535 Green St.  
New Baltimore, MI 48047

Job No. 06-8001

Re: Sanitary Sewer System  
8100 Wastewater Treatment Plant  
06-8101WWTP Expansion

Date 9/4/2007

Contract Work - Item / Description	Contract Amount	Previous Invoices	% Complete	Work this Invoice
WWTP - OUTFALL SEWER				
Design Services	74,800.00	52,953.40	72.08%	965.00
Contract Administration	112,200.00		0.00%	0.00
		Total Due This Invoice:		
		\$965.00		

**\*\*NOTE - INVOICES ARE DUE UPON RECEIPT...THANK YOU!**

# **RECYCLABLE PAPER**

RESOLUTION NO.

FULL BOARD MEETING DATE

AGENDA ITEM

MACOMB COUNTY, MICHIGAN

RESOLUTION TO: appropriate an additional \$800 to the 2008 NACo Award Application allocation based on the number of applications to be submitted. Funding is available in the 2008 Contingency Account.

INTRODUCED BY: Don Brown, Chairperson, Budget Committee

The 2008 Budget for the NACo Award program was reduced to \$500. The Planning Department has received a total of 26 applications to be submitted to NACo for consideration at a total cost of \$1,300 (\$50 per application), requiring an additional \$800 appropriation for this purpose. The applications and payment to NACo must be postmarked or received by February 15, 2008. This item is being waived by the Chair of the Planning and Economic Development (P.E.D.) Committee.

COMMITTEE/MEETING DATE: Budget Committee, Feb 13, 2008

# **RECYCLABLE PAPER**

RESOLUTION NO.

FULL BOARD MEETING DATE

AGENDA ITEM

MACOMB COUNTY, MICHIGAN

RESOLUTION TO: approve the request of the Prosecuting Attorney and appropriate \$25,000 to cover the additional cost in the prosecution in the Steven Grant Case. Funds are available in the 2007 Contingency Account.

INTRODUCED BY: Don Brown, Chairperson, Budget Committee

COMMITTEE/MEETING DATE: Budget Committee, Feb 13, 2008



**ERIC J. SMITH**  
**MACOMB COUNTY PROSECUTING ATTORNEY**

To: John Foster  
Finance Department

From: James Langtry *JK*  
Chief of Operations, Prosecutor's Office

Date: January 24, 2008

Re: Additional Funding

As you are aware, the prosecution of Steven Grant required the utilization of resources in excess of those typically required by our office in a homicide case. There were additional costs associated with the production of documents, exhibits, expert testimony, and transcriptions from outside agencies.

Accordingly, we are requesting an additional \$25,000 from the contingency fund to cover these additional expenses.

I am requesting that this matter be placed on the agenda for the February Finance Committee meeting.

If you have any further questions, please feel free to contact me.

**RECEIVED**

JAN 25 2008

MACOMB COUNTY  
FINANCE

# **RECYCLABLE PAPER**

RESOLUTION NO.

FULL BOARD MEETING DATE

AGENDA ITEM

MACOMB COUNTY, MICHIGAN

RESOLUTION TO adopt the 2008 – 2012 5 Year Capital Improvement Program

INTRODUCED BY: Commissioner Don Brown, Chairman, Budget Committee

COMMITTEE/MEETING DATE

Budget Committee, February 13, 2008

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# FINANCE DEPARTMENT

10 N. Main St., 12th Floor  
Mount Clemens, Michigan 48043  
586-469-5250 FAX 586-469-5847

February 5, 2008

David M. Diegel  
Finance Director

John H. Foster  
Assistant Finance Director

Robert Grzanka, C.P.A.  
Internal Audit Manager

Stephen L. Smigiel, C.P.A.  
Accounting Manager

Commissioner Don Brown, Chairman  
& Members of the Budget Committee  
9<sup>th</sup> Floor-Administrative Building  
Mount Clemens, Michigan 48043

Dear Commissioners:

Enclosed herewith is the bi-annual update of our Five-Year Capital Improvement Plan for the period ending 2012.

Schedule I summarizes construction projects in progress, maintenance projects deemed essential, technology and equipment purchases deemed essential and debt service requirements for the five-year period.

Schedule II summarizes anticipated funding sources for the projects noted on Schedule I.

Please note that if all projects are undertaken as shown on Schedule I and all revenues come in as projected on Schedule II, we will have a cash balance in the Capital Improvement Fund for contingencies of only \$1,362,440 at December 31, 2008.

Schedule II includes the \$4,227,438 transferred to the Capital Improvement Fund from the Special Revenue Sharing Reserve Fund as authorized by the Budget Committee in 2007.

Schedule III summarizes new projects on the "radar screen" that may be brought forward for consideration during the five-year program period. The items on Schedule III are presented for planning purposes and their inclusion does not necessarily mean that they will be brought forward for funding and if so that they will be approved by the Board of Commissioners.

## MACOMB COUNTY BOARD OF COMMISSIONERS

Andrey Duzyj - District 1  
Marvin E. Sauger - District 2  
Phillip A. DiMaria - District 3  
Jon M. Switalski - District 4  
Susan L. Doherty - District 5

Joan Flynn - District 6  
Sue Rocca - District 7  
David Flynn - District 8  
Robert Mijac - District 9  
Philis DeSaele - District 10

Ed Szczepanski - District 11  
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Don Brown - District 13  
Brian Brdak - District 14  
Keith Rengert - District 15

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District 23  
Chairman

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Leonard Haggerty  
District 21  
Sergeant-At-Arms

Carey Torrice - District 16  
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Paul Gielegghem - District 19  
Kathy Tocco - District 20

Betty Slinde - District 22  
Sarah Roberts - District 24  
Kathy D. Vosburg - District 25  
Leon Drolet - District 26

Commissioner Don Brown, Chairman  
& Members of the Budget Committee  
February 5, 2008  
Page 2 of 2

If all projects shown on Schedule III were funded during the five-year period, we would incur a shortfall in the fund of \$4.1 million which represents the difference between the total of the unfunded projects as shown on Schedule III of \$25,920,544 and the projected funding surplus shown on Schedule II of \$21,773,278.

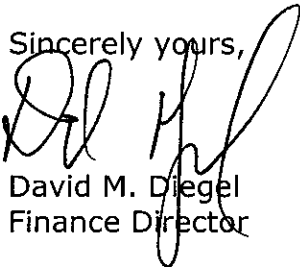
The \$4.1 million shortfall noted above does not include any funding for the jail expansion project which is footnoted as a project for future consideration.

Clearly, if all proposed projects (Schedule III) were funded during the five-year budget period it would be necessary for the County to issue bonds to finance some portion of the capital improvements.

It is anticipated that other priorities may be established by the Board of Commissioners as we move toward the year 2012 and that the capital plan currently under consideration will be amended accordingly. Also, the scope and size of individual projects may be increased or decreased as deemed necessary by the Board of Commissioners.

Please note that this budget is being presented as a needs plan and that each project shown must be individually approved by the Board of Commissioners prior to commencement.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'David M. Diegel', is written over the typed name and title.

David M. Diegel  
Finance Director

DMD:ts

Enclosures



**2008 – 2012  
5 YEAR - MACOMB COUNTY  
CAPITAL IMPROVEMENT PROGRAM**

**FEBRUARY, 2008**

**MACOMB COUNTY, MICHIGAN**

## SCHEDULE I - PROJECTS

**MACOMB COUNTY, MICHIGAN**  
**2008-2012 5 YEAR CAPITAL IMPROVEMENT PROGRAM**

**REQUIREMENTS**

DESCRIPTION	BUDGET	PRIOR YR.					REQUIREMENTS				
		FUNDING	2008	2009	2010	2011	2012				

**SCHEDULE II - FUNDING SOURCES**

<b>FUNDING SOURCES</b>											
BALANCE FORWARD FROM PRIOR YEAR	2,248,363										
BALANCE FORWARD-REV. SHARING RESERVE (2007)	7,227,438										
BUILDING RENT	2,026,550		405,310	405,310	405,310	405,310	405,310				405,310
BUILDING RENT - HALL ROAD WAREHOUSE	414,000		82,800	82,800	82,800	82,800	82,800				82,800
BUILDING RENT - VERKUILEN BUILDING	3,964,965		792,993	792,993	792,993	792,993	792,993				792,993
BUILDING RENT - VERKUILEN BUILDING -LEGAL AID	0		0	0	0	0	0				0
BUILDING RENT - WARREN SATELLITE	2,443,758		549,614	473,536	473,536	473,536	473,536				473,536
BUILDING RENT BANK BUILDING 77 S. MAIN ST	349,708		44,508	76,300	76,300	76,300	76,300				76,300
BUILDING RENT CLEMENS CENTER	626,280		125,256	125,256	125,256	125,256	125,256				125,256
BUILDING RENT DISTRICT COURTS	782,385		156,477	156,477	156,477	156,477	156,477				156,477
DTRF - BOND DEBT RETIREMENT	6,675,000		1,335,000	1,335,000	1,335,000	1,335,000	1,335,000				1,335,000
DTRF - IT PROJECTS	5,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000				1,000,000
F.O.C. IV-D FUNDING (IMAGING 60%)	400,000		100,000	100,000	100,000	100,000	100,000				0
GEN FUND COBO HALL LIQUOR TAX	10,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000				2,000,000
GEN FUND CONTRIB. BOND DEBT RETIREM	13,325,000		2,665,000	2,665,000	2,665,000	2,665,000	2,665,000				2,665,000
GEN FUND CONTRIBUTIONS	3,700,000		740,000	740,000	740,000	740,000	740,000				740,000
GEN FUND JAIL SPACE RENTAL (MIN SECURITY FAC)	3,750,000		750,000	750,000	750,000	750,000	750,000				750,000
GEN FUND COOP REIMBURSEMENT CONTRIBUTION	15,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000				3,000,000
INTEREST EARNED	1,500,000		300,000	300,000	300,000	300,000	300,000				300,000
MICHIGAN DEPT OF TRANSP NON-MOTORIZED GRANT	1,269,800		0	0	0	0	0				0
TRANSFER FROM BRIDGE PROJECT TO PEDESTRIAN BR	361,757	361,757	0	0	0	0	0				0
US DEPT OF TRANSPORTATION-ORCHARD TR GRANT	3,110,904		0	0	0	0	0				0
PRIOR FUNDING	8,413,211	8,413,211									
TOTAL FUNDING	92,589,119	8,774,968	18,427,662	14,002,672	14,002,672	14,002,672	14,002,672	14,002,672			13,902,672
CURRENT YEAR FUNDING			18,427,662	14,002,672	14,002,672	14,002,672	14,002,672	14,002,672			13,902,672
BALANCE FORWARD FROM PRIOR YEAR			9,475,801	1,362,440	6,153,303	11,124,356	16,294,742	16,294,742			16,294,742
MINUS CURRENT YEAR PROJECTS			(26,541,023)	(9,211,809)	(9,031,619)	(8,832,286)	(8,424,136)	(8,424,136)			(8,424,136)
BALANCE AVAILABLE FOR ENSUING YEAR			1,362,440	6,153,303	11,124,356	16,294,742	21,773,278	21,773,278			21,773,278



**MACOMB COUNTY, MICHIGAN  
2008-2012 5 YEAR CAPITAL IMPROVEMENT PROGRAM**

**REQUIREMENTS**

DESCRIPTION	BUDGET	PRIOR YR. FUNDING	2008	2009	2010	2011	2012
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**SCHEDULE III**

**PROPOSED UNFUNDED PROJECTS:**

1 ADA HANDICAP COMPLIANCE MODIFICATIONS	300,000	-	PROJECTS TO COMPLY WITH ADA				
2 CENTRAL RECEIVING BUILDING RENOVATION	500,000	-	RELOCATE EMERGENCY MGT, & F&O STORAGE				
3 COUNTY BUILDING COOLING TOWER FOR A/C	100,000	-	REPLACE COOLING TOWER				
4 COUNTY BUILDING RENOVATIONS	8,000,000	-	RENOVATION OF THE 1ST-13TH FLOORS OF OLD COUNTY BUILDING INCLUDING MECHANICAL UPDATE				
5 COURT BUILDING-1ST FLOOR RENOVATION	1,500,000	-	RENOVATION OF 1ST FLOOR CLERKS OFFICE				
6 DISTRICT COURT ROMEO-WATERPROOFING	75,000	-	PER F&O DIRECTOR WATER IS SEEPING INTO BUILDING DUE TO WATER TABLE				
7 ELEVATOR REPLACEMENTS COURT & COUNTY BUILDINGS	1,000,000	-	REPLACEMENT OF ELEVATORS IN COURT AND COUNTY BLDG PER F&O DIRECTOR				
8 HVAC CENTRAL RECEIVING ROOFTOP HVAC UNITS (4)	100,000	-	REPLACE ROOFTOP HVAC UNITS				
9 HVAC COURT BUILDING-PENTHOUSE HVAC UNITS (6)	225,000	-	REPLACE OLD HEATING COILS AND CHILL WATER COILS				
10 HVAC JAIL BUILDING ROOFTOP HVAC UNITS (17)	550,000	-	REPLACE REMAINING ROOFTOP UNITS DUE TO AGE				
11 HVAC JUVENILE COURT BLDG REPLACE VAV BOXES	200,000	-	REPLACE OBSOLETE VARIABLE AIR VOLUME SUPPLY AIR BOXES				
12 HVAC MECHANICAL REPLACEMENT VARIOUS	500,000	-	PER F & O DIRECTOR TO REPLACE UNITS IN OTHER FACILITIES				
13 IT BUS CONT/STORAGE AREA NETWORK (SAN)	434,000	-	PROVIDE A COUNTY-WIDE STORAGE MGT SYSTEM TO CENTRALIZE SYSTEMS BACKUP				
14 IT CLEMENS CENTER RENOVATION	2,500,000	-	RELOCATE IT DEPARTMENT & JUDICIAL AIDE TO CLEMENS CENTER				
15 IT DOCUMENT IMAGING	750,000	-	ELECTRONIC SCANNING/STORAGE OF COUNTY RECORDS				
16 IT E COMMERCE	200,000	-	PER IT DIRECTOR TO DEVELOPMENT PAYMENT VIA INTERNET				
17 IT NETWORK CABLING (ADDITIONAL)	350,000	-	PER IT DIRECTOR REQUIRED DUE TO RENOVATIONS ETC.				
18 IT VIDEO ASSIGNMENT-COUNTY WIDE	500,000	-	THIS PROJECT WILL ALLOW FOR REMOTE VIDEO ASSIGNMENTS				
19 JAIL BUILDING PIPE REPLACEMENT	500,000	-	REPLACE PIPES WITH JAIL FACILITY PER F&O DIRECTOR				
20 JAIL MAINTENANCE FUND	500,000	-	PER F&O DIRECTOR JAIL FACILITY IN EXCESS OF 20 YEARS, REQUIRES CONSTANT REPAIR				
21 JUVENILE COURT RENOVATIONS	1,000,000	-	RENOVATIONS AT THE JUVENILE COURT BUILDING PER CHIEF JUDGE				
22 LIBRARY AIR CONDITIONING (FREON ELIMINATION)	60,000	-	REQUIRED PER F & O DIRECTOR				
23 LIFT STATION REPLACEMENT	?	-	REPLACE ROSE STREET & ELIZABETH STREET LIFT STATIONS (ESTIMATES TO BE DETERMINED)				
24 MARTHA T BERRY CAPITAL IMPROVEMENTS	466,544	-	PER MTB ADMINISTRATOR COMPLETE REMODELING				
25 MARTHA T BERRY-KITCHEN RENOVATION	500,000	-	PER MTB ADMINISTRATOR COMPLETE REMODELING				
26 POWER HOUSE UPGRADE SERVICE CENTER	1,500,000	-	UPGRADE REQUIRED PER F&O DIRECTOR				
27 PROBATE COURT RENOVATION	60,000	-	EXPAND LOBBY AREA IN PROBATE COURT BUILDING PER JUDGE				
28 REBALANCE AIR SYSTEM - VARIOUS BLDGS	100,000	-	REQUIRED PER F & O DIRECTOR				
29 SHERIFF-MDT CAR COMPUTER REPLACEMENT	250,000	-	REPLACEMENT DUE TO OUTDATED TECHNOLOGY PER IT DIRECTOR				
30 UNDERGROUND UTILITY LINE REPLACEMENT	200,000	-	PER F & O ESTIMATES				
31 VERKUILEN & HEALTH BLDG MECHANICAL UPGRADE	2,400,000	-	PER F & O ESTIMATES REPLACE EXISTING 25 YEAR OLD MECHANICAL SYSTEM				
32 VERKUILEN BLDG-ROOFTOP HVAC UNITS & VAV BOXES	600,000	-	PER F & O ESTIMATES REPLACE OLD HVAC ROOFTOP & VAV BOXES				

**TOTAL UNFUNDED REQUESTED PROJECTS** 25,920,544

**NOTE: The \$92 Million Jail Expansion Project, if considered for approval by the Board of Commissioners, will require a dedicated funding source.**

## **2008 – 2012 5 YEAR CAPITAL IMPROVEMENT PROGRAM**

### **CONSTRUCTION PROJECTS**

1. 42<sup>ND</sup> DISTRICT COURT BUILDING-NEW BALTIMORE  
Completion of construction of new Court Facility in New Baltimore scheduled for spring 2008.
2. JUVENILE JUSTICE CENTER RENOVATION PHASE II  
Phase II renovation of the JJC facility.
3. ORCHARD TRAIL DEVELOPMENT PHASE II & III  
Complete the construction of the Macomb County Orchard Trail.
4. ORCHARD TRAIL PEDESTRIAN BRIDGE M-53  
Construct a pedestrian bridge along the Orchard Trail Cost to be shared by MDOT and Macomb County.

### **MAINTENANCE PROJECTS**

1. CARPET/FLOOR COVERING REPLACEMENT PROGRAM  
The replacement of carpeting for County facilities as required due to age and wear.
2. COURT BUILDING EXTERIOR SEAL  
In 1981, the eroded sections of the precast facing of the Court Building were repaired. In addition, a protective coating over the entire precast facing was applied to prevent further deterioration. In order to insure the integrity of the precast facing, periodic inspections and corrective repairs are required. Re-application of the protective coating over the entire precast facing is required approximately every 10 years.
3. GENERATOR-COUNTY/COURT BUILDING  
Purchase and install a generator to provide back up emergency power to the Court and County Building.
4. IT AIR HANDLING IMPROVEMENT VARIOUS BUILDINGS  
As new data systems are installed in various facilities, air-handling upgrades are necessary to keep the new servers operating at the proper temperature and humidity levels. IT has identified several locations including the Jail facility and the County Court Building where improvements will be necessary.
5. MISCELLANEOUS REMODELING  
This project allows funding for minor remodeling projects in County facilities as necessary, with work performed by the County Facilities & Operations Department personnel.
6. PARKING LOT/SIDEWALK RESURFACING  
Maintenance and resurfacing of County parking lots and sidewalks around county facilities.
7. PARKING STRUCTURE MAINTENANCE  
The parking structure requires maintenance of the parking surface area, drainage system, stairway/doorway and structural inspections on an annual basis.
8. INSULATION OF VARIOUS BUILDINGS  
As Facilities and Operations department personnel remodel various buildings old insulation materials require replacement with newer safer materials.
9. ROOF MAINTENANCE PROGRAM  
This program continues the repair and scheduled replacement of roofs at various County facilities.
10. ROOF MAINTENANCE – HALL ROAD WAREHOUSE  
Roof replacement at the 100,000 sq ft Warehouse facility

## **2008 – 2012 5 YEAR CAPITAL IMPROVEMENT PROGRAM**

### **11. TUCK POINTING VARIOUS BUILDING**

The Director of Facilities has requested funding to repair the various buildings brick exteriors where necessary.

## **TECHNOLOGY & EQUIPMENT PROJECTS**

### **1. FURNITURE REPLACEMENT PROGRAM**

Provides funds for the planned replacement of old and obsolete furniture currently utilized by County departments.

### **2. IT-F.O.C. DOCUMENT IMAGING**

Provides electronic storage of all documents processed, replacing traditional file folders. Documents are scanned into the system, identified, and can be retrieved electronically by appropriate FOC staff. Benefits include multiple file access, electronic file tracking, and staff time savings and floor space savings. This system will be interfaced with the State's CSES FOC System, allowing a cross-reference between systems. This project will be cost shared between the State FOC IV-D funding and County funds.

### **3. IT-P.C. EQUIPMENT-NEW**

Additional P.C./printer/software requirements for various County departments. All equipment purchases of this type requires recommendation of the IT Department and approval of the Legislative and Administrative Services Committee.

### **4. IT-P.C. REPLACEMENT/UPGRADE**

The IT Director has requested a replacement program be implemented. The IT Department has recommended that the majority of the current pc equipment be replaced with (dumb) terminals connected directly to the servers and not with regular pc equipment. In doing so, it is believed that the requirements for this funding could be phased out over the next few years.

### **5. JAIL BUILDING LOCK CONTROL REPLACEMENT**

The Jail buildings lock mechanism in the security doors within the facility is over 20 years old and requires replacement due to age and unavailability of parts and service.

### **6. SHERIFF BUILDING VIDEO CAMERA REPLACEMENT**

Upgrading the Jail security camera system from an analog to digital format to provide better coverage of all secured areas in the Jail Building.

## **DEBT SERVICE**

### **1. 1989 CRIMINAL JUSTICE BUILDING \$3,800,000**

The annual debt service requirement on the \$3.8 million bonds issued for the Jail Building expansion.

### **2. 1999 VERKUILEN BUILDING \$1,205,000**

The annual debt service payment on the \$1.2 million bond issued for the HVAC upgrade at the VerKuielen Building in partnership with the State of Michigan.

### **3. 2000 CLEMENS CENTER PURCHASE \$4,000,000**

The annual debt service payment for the \$4 million bond issued for the purchase of the Clemens Center property not refinanced in 2005 (see item 10 below).

### **4. 2000A BRIDGE REPAIR/REPLACEMENT \$5,000,000**

The annual debt service payment on the \$5 million bond issued for Phase I of the county commitment of \$15 million toward the \$30 million joint County/Road Commission bridge repair/replacement project

## **2008 – 2012 5 YEAR CAPITAL IMPROVEMENT PROGRAM**

5. **2002 JJC (YOUTH HOME)/MARTHA T. BERRY RENOVATION \$32,000,000**  
The annual debt service requirement for the \$9,950,000 balance of the original \$32 million debt issued in 2002 to finance the Youth Home (Juvenile Justice Center) and Martha T. Berry construction/renovation projects, the balance of which was refinanced in 2007 (See item 13).
6. **2002A REFUNDING ADMINISTRATION BUILDING \$8,885,000**  
The annual debt service requirement for the \$8.89 million debt issued for the refunding of the balance due on the \$12 Administration bonds. By refinancing the County was able to obtain a more favorable interest rate.
7. **2004 WAREHOUSE PURCHASE \$5,100,000**  
The annual debt service payment for the \$5.1 million in bonds issued to finance the purchase of the Hall Road Warehouse (Vic Wertz) facility.
8. **2004A PUBLIC WORKS BUILDING \$4,250,000**  
The annual debt service requirement for the \$4.25 million in bonds issued to finance the construction of the new Public Works Building.
9. **2004B BRIDGE REPAIR/REPLACEMENT \$10,000,000**  
The annual debt service requirement for the \$10 million in bonds issued to finance phase II of the \$15 million County portion of the bridge repair and replacement project.
10. **2005 REFUNDING CLEMENS CENTER \$2,875,000**  
The annual debt service requirement for the \$2.875 million in bonds issued to refinance the outstanding Clemens Center bond at lower interest rate.
11. **2005 COUNTY RADIO SYSTEM REPLACEMENT 800 MHz \$13,555,000**  
The annual debt service requirement for the \$13.6 million in bonds issued to finance the construction of the countywide 800 MHz radio system for public safety in Macomb County.
12. **2005 42<sup>ND</sup> DISTRICT COURT-NEW BALTIMORE \$5,825,000**  
The annual debt service requirement for the \$5.8 million in bonds issued to finance the construction and furnishing of the New Baltimore District Court Building.
13. **2007 REFUNDING 2002 JJC/MTB \$16,895,000**  
Refunding of \$16.8 million of the original \$32 million 2002 bonds issued for the JJC/MTB renovation projects.
14. **BANK FEES**  
Handling fees for various bond payments.

### **OTHER PROJECTS**

1. **ANNUAL REPORT**  
The Board of Commissioners annually prepares a comprehensive report of County activities, services and functions, which is mailed to each Macomb County residence and business and printed every other year. The annual report is prepared and available on the County Web Site in the years not printed and mailed.
2. **COST ALLOCATION PLAN**  
The annual County-wide Indirect Cost Allocation Plan allows the County to receive reimbursement for the costs associated with the various State and Federal funded programs and provides the County with a significant annual revenue source.
3. **CONTRIBUTION TO GENERAL FUND**  
This funding was approved by the Board of Commissioners to support the 2008 County General Fund Budget. This item was funded from the Special Revenue Sharing Reserve Fund.

# **RECYCLABLE PAPER**

RESOLUTION NO.

FULL BOARD MEETING DATE

AGENDA ITEM

MACOMB COUNTY, MICHIGAN

RESOLUTION TO: receive and file the 2007 Contingency Report Update.

INTRODUCED BY: Don Brown, Chairperson, Budget Committee

COMMITTEE/MEETING DATE: Budget Committee, Feb 13, 2008

**CONTINGENCY  
2007 ADOPTED BUDGET**

		<u>DECREASES</u>	<u>INCREASES</u>	<u>BALANCE</u>
<u>2007 RECOMMENDATION BUDGET</u>				700,000
Board Dec 2006	- Budget Reduction	(20,000)		
Board Dec 2006	- Re-establish Summer Youth Program	(50,000)		(70,000)
<u>2007 ADOPTED BUDGET</u>				630,000
Board Approved Changes:				
Board July 2006	- CCF-Inc subsidy for JSORP grant rolled into Child Care Fund	(83,200)		
Board July 2006	- Diversity & Supervisor Training	(73,530)		
Bd 3/22/07	- Contribution to West Nile Virus	(88,979)		
	- Information Technology- Position Reorganization		60,382	
	- FOC-1 Position Reclassed and 1 Position Eliminated		15,031	
	- Board Office-Reclass Board Support Clerk	(6,678)		
	- Mental Division-Eliminate Court Officer		56,063	
	- Sheriff-Deputy for Court Security at Mental Division	(94,674)		
	- Human Resources-Consultant to hire HR Director	(25,000)		
Bd 4/26/07	- Sheriff-Jail-Respirator Equipment and Testing	(11,160)		
Bd 6/14/07	- Jury Room-Internet connect for Jurors	(780)		
	- County Clerk-ACS Services	(9,240)		
Bd 8/16/07	- Macomb County participation in Regional Water Authority Study	(125,000)		
	- Senior Citizens-Continued funding for GRG clerical support	(10,000)		
Bd 9/27/07	- Human Resources-Employee Benefits Study	(25,000)		
	- Macomb Prevention Coalition	(20,000)		
Bd 12/13/07	- Veterans-Burial and Grave Markers	(19,000)		
	- Board Office-Legal Services	(6,053)		
		<u>(598,294)</u>	<u>131,476</u>	<u>(466,818)</u>
	<b>Available Budget</b>			<u><u>163,182</u></u>
January 29, 2008				